Reemployment and Eligibility Assessment (REA) Program Evaluation

SUMMARY

In 2013, the Chief Evaluation Office (CEO) partnered with the Employment and Training Administration to fund contractor Abt Associates to conduct the Evaluation of the Reemployment and Eligibility Assessment (REA) Program. The implementation and impact evaluations aim to describe the implementation and estimate the impact of REA programs in Indiana, New York, Washington, and Wisconsin on outcomes of interest: amount and duration of unemployment insurance (UI) benefits, employment, and earnings. For the implementation study, researchers examined program documents, state information management systems, and conducted on-site fieldwork, including site visits, focus groups with program staff, and observation of REA orientation and counseling sessions. For the impact study, researchers implemented a multi-arm randomized study design in which nearly 300,000 UI claimants were assigned to a control group or one of three treatment groups. Participants in the three treatment groups received different levels of enforcement and assistance. Researchers relied on administrative data from the four study states and the federal Office of Child Support Enforcement's National Directory of New Hires (NDNH).

From 2005—2016, the Department of Labor (DOL) awarded states grants to operate REA programs designed to support the reemployment of individuals on UI and detect improper payments. REA programs provided job search assistance, compliance enforcement to check eligibility status, and an in-person mandatory REA meeting to review eligibility. In FY2015, DOL introduced the Reemployment Services and Eligibility Assessment (RESEA) grant program. RESEA was designed to replace REA, and its structure incorporates many elements of the REA program. The four states participating in the study continued to deliver the REA program and then transitioned to RESEA once their random assignment was complete (approximately April 2016).

This Department of Labor-funded study was a result of the annual process to determine the Department's research priorities for the upcoming year. It contributes to the labor evidence-base to inform employment and training and UI programs and policies and addresses Departmental strategic goals and priorities.

KEY TAKEAWAYS

Implementation Report Takeaways

- REA interventions were relatively low-intensity, generally comprising of a few hours of group engagement and a few hours of one-on-one counseling for participants receiving full services.
- Federal requirements imposed some common structure across state REA programs, and states imposed their own requirements and implementation processes to meet local needs and goals. For example, all states imposed additional requirements to exclude certain UI claimants from the REA program; four of these requirements were adopted by all states, while others were unique. In addition, Indiana requires certain



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- reemployment activities under its state REA program and has higher completion rates for these activities than other states.
- Most state programs emphasized reemployment assistance over compliance enforcement. Review of initial and ongoing eligibility does not appear to be a major focus of the program (at least in three of the four states), though, when detected, egregious issues appear to trigger some enforcement.
- Participation in reemployment services was lower than expected. Although these services are routinely described as mandatory in three of the four states, participation rates exceed 80% in only one state. The causes of noncompliance are not known, but could be related to several factors, such as claimants returning to work or choosing not to participate when states have limited ability to detect noncompliance and penalties are limited.
- Researchers found that surer, swifter, and more substantial penalties for noncompliance were more likely to encourage adherence to program requirements.
 For example, the states with the highest rates of meeting attendance had the most substantial noncompliance policies, while the state with the lowest attendance rate imposed a less substantial penalty.

Impact Report Takeaways

- Findings show that REA reduced UI duration by about 1.3 weeks, on average. About half of that decrease was due to an increase in employment, and the other half was due to claimants spending more time neither employed nor receiving UI.
- The study found that REA increased short-term employment and earnings by a small amount, about 2% overall.
- Impacts are consistently larger for those with lower earnings in the previous year and those with lower weekly benefit amounts. However, impacts were not consistently larger for those predicted to be more likely to exhaust their benefits.
- The study found that both assistance and enforcement actions impact UI duration.
 Most of the impact was due to the requirement to attend an initial in-person meeting,
 in which claimants review their eligibility with a case manager and receive
 reemployment assistance. Some of the impact was due to job search assistance, and
 little came from the ongoing enforcement of eligibility requirements.
- While the direct REA program cost was about \$100 per UI claimant, it decreased UI benefit expenditures by about \$350 per person and increased earnings by \$470 per person. Researchers recommend a more formal cost-benefit analysis to further explore these issues.



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• Researchers experienced some challenges in executing this study that may inform the development of future studies. First, the very large sample size (nearly 300,000 claimants across four states) was necessary to detect impacts in such a low-cost and low-intensity program, but researchers were still unable to detect some impacts, including how employment and earnings varied with claimant characteristics. Future studies might benefit from an even larger sample size. Second, states found it difficult to align their programs and data management processes for the evaluation. The research team provided some technical assistance while setting up the study and during implementation.

SEE FULL STUDY

TIMEFRAME: 2014-2019 PARTNER AGENCY: Employment and Training Administration (ETA)
SUBMITTED BY: Abt Associates

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